## **REMARKS**

This is in response to the Office Action dated October 10, 2007. The subject matter of claim 7 has been added to claim 1. Thus, claim 1 is now the same as original claim 7.

Claim 1 stands rejected under Section 102(e) as being allegedly anticipated by Tsumura.

This Section 102(e) rejection is respectfully traversed.

Claim 1 as amended requires "a display element including a first electrode and a second electrode for applying an electric field to the medium so as to carry out a display, the first electrode and the second electrode being connected to separate switching elements, a degree of optical anisotropy in the medium changing in response to application of electric field." Tsumura fails to disclose or suggest this.

Tsumura relates to a conventional IPS type LCD. Thus, Tsumura fails to disclose or suggest a display having a medium (e.g., LC layer) which is provided such that a degree of optical anisotropy in the medium changes in response to application of electric field. Tsumura is entirely unrelated to the invention of claim 1 in this respect. Moreover, there is no logical reason why one of ordinary skill in the art would have ever modified Tsumura's IPS type LCD to have the medium called for in claim 1. Thus, the claim defines over and is nonobvious over Tsumura.

Okishiro also relates to a conventional IPS type LCD. Thus, Okishiro also fails to disclose or suggest a display having a medium (e.g., LC layer) which is provided such that a degree of optical anisotropy in the medium changes in response to application of electric field. Like Tsumura, Okishiro is entirely unrelated to the invention of claim 1 in this respect.

Claim 24 requires that "a shape of a refractive index ellipsoid of the medium changes from substantially isotropic to substantially anisotropic, or vice versa, when the switching elements are changed from an OFF state to an ON state." For example non-limiting support, see

MIYACHI ET AL. Appl. No. 10/582,998'

the instant specification at Fig. 10; pg. 56, lines 3-25; and pg. 57, last paragraph. As shown in Fig. 10 and explained on pages 56-57, an IPS type LCD (such as Tsumura) fails to disclose or suggest the above feature of claim 24. In an IPS type of LCD such as Tsumura (and Okishiro), the shape of the refractive index ellipsoid does not change from a TFT off state to a TFT on state (e.g., see the instant application at Fig. 10; pg. 56, lines 3-25; and pg. 57, last paragraph). Thus,

It is respectfully requested that all rejections be withdrawn. All claims are in condition for allowance. If any minor matter remains to be resolved, the Examiner is invited to telephone the undersigned with regard to the same.

Tsumura and Okishiro clearly fail to disclose or suggest the above feature of claim 24.

Respectfully submitted,

NIXON & YANDERHYE P.C.

By:

Joseph A. Rhoa Reg. No. 37,515

JAR:caj 901 North Glebe Road, 11th Floor Arlington, VA 22203-1808 Telephone: (703) 816-4000

Facsimile: (703) 816-4100